

**Page Denied**

25 May 1982

MEMORANDUM FOR: Director of Central Intelligence

FROM:

[REDACTED]

25X1

Director, Intelligence Community Staff

SUBJECT:

Response to PFIAB on Implementation of Earlier  
Recommendations

1. I have prepared a short note for you to send to Leo Cherne informing him that the IC Staff is collecting information on the status of recommendations by the former PFIAB (Attachment 1). The preparation of brief, but thorough, substantive responses should take about a week. In the meantime, let me run down for you those activities of which I am aware that respond to each recommendation. In its report, "Intelligence for the Future," dated 2 December 1976, the PFIAB made nine recommendations (Attachment 2). One month later, then DCI Bush provided a rundown of Intelligence Community activities on each of the points (Attachment 3). Both papers are attached for your information.

o The first recommendation suggested that the NSC sponsor development of three to four models of the world 20 years in the future and asked the DCI to make a Community-wide estimation of the intelligence system's performance under each of the projected futures. As far as I know, the NSC has never undertaken projections of the future in a formal, structured way. The 1985 Capabilities Study comes as close to an overall estimate of the intelligence system's performance in the future as has been done. Plans are currently underway to update that Study and to project it into the 1990's. [REDACTED] Director of the Office of Planning, will provide a more detailed response.

25X1

o The second recommendation asked the NSC to direct a review of intelligence support to crisis management. It correctly predicted that crises stemming from nuclear weapons proliferation and acts of terrorism would involve the President more frequently in the decade ahead. Little progress was made during the Carter Administration, partly because of Dr. Brzezinski's control of the Situation Room. I have asked Bob Gates to address the portion of this related to support of the President during crises and [REDACTED] to describe the NIEPS. Reference to the Intelligence Community's performance during the Iranian hostage situation might also be appropriate here.

25X1  
25X1

TS-820528  
Copy No. *ser. B. #1*

25X1

25X1

TOP SECRET

o The third recommendation dealt with concealment and deception by the Soviets. There was a working group dedicated to this subject for some time and even some publications. I have asked Evan Hineman, Chairman of the Intelligence Producers Council, to review the contribution of the working group and provide the current status of Community efforts in the area.

o Recommendation 4 called for "net assessments." As you know, the "netness" of the strategic forces NIE was an issue with DoD until 1981. Harry Rowen is in the best position to discuss where we are in this area now.

o The fifth recommendation dealt with Soviet technological innovations, especially in their military and economic applications. Inasmuch as the Directorate of Intelligence is the home for the DCI's Committees on Economic Intelligence, Scientific & Technical Intelligence, Weapons and Space Systems Intelligence, and Joint Atomic Energy Intelligence, Bob Gates should be able to address how the Community is targeting Soviet research and development efforts in these fields.

o The sixth recommendation suggested that the Community continue assessments of foreign perceptions of the United States. The Intelligence Producers Council can discuss Community efforts, as well as work that has been done by the International Communications Agency and other non-intelligence organizations.

o The seventh recommendation stressed the need to achieve major improvements in human source collection and analytic processes, a view I know you share. [redacted] Chairman of the Human Resources Committee, can outline how improvements in the human resources collection system have affected the management of data and our understandings of foreign relationships. The Intelligence Producers Council will be asked to contribute information on the status of production improvements and the DDO, a general statement on the recruitment of agents.

25X1

o The issuance of National Security Study Directive 2 (NSSD 2) this year is evidence that the need for a U.S. counterintelligence policy and a coordinated statement of counterintelligence objectives, called for in recommendation 8, is still an important issue. [redacted] Chief of the Community Counterintelligence Staff, and [redacted] Study Director of the NSSD 2 effort, will outline the status of the study.

25X1  
25X1  
25X1

o Recommendation 9, relating to the security discipline of Community personnel, is in some ways the hardest to address. There, of course, has not been the blue ribbon commission suggested by Deputy Secretary of Defense Ellsworth, but there have been efforts to improve the security consciousness of those inside and outside the Community. [redacted] Chairman of the DCI's Security Committee, will discuss these activities.

25X1

TOP SECRET

2. In addition to their formal recommendations, the PFIAB in its 2 December 1976 report also made a number of observations. Most of these are not susceptible to analysis in the direct way that the recommendations are. The observations contain, however, a list of six "important innovations" that the PFIAB thinks worth pursuing. I have asked members of the IC Staff to update the status of work on these activities reported in the DCI's letter of 10 January 1977.

3. Should you have any views you would like us to incorporate or if Leo Cherne has provided any additional information to you directly that might affect this exercise, I would be grateful if you would let me know. I expect to have the responses from those whom I have asked for help by Wednesday, 2 June. I should have a report for you to forward to Leo Cherne by Friday, 4 June.



25X1

## Attachments:

1. Ltr for DCI Signature
2. PFIAB Report dtd 2 December 1976
3. DCI Bush's Letter dtd 10 January 1977